

(Draft - Awaiting Formal Approval)
**MINUTES OF THE
EXECUTIVE APPROPRIATIONS COMMITTEE**
Friday, March 8, 2013 - 5:10 p.m. - Room 210 Senate Building

Members Present:

Sen. Lyle W. Hillyard, Co-Chair
Rep. Melvin R. Brown, Co-Chair
Sen. Jerry W. Stevenson, Vice Chair
Rep. Brad R. Wilson, Vice Chair
Sen. J. Stuart Adams
Sen. Gene Davis
Sen. Patricia W. Jones
Sen. Peter C. Knudson
President Wayne L. Niederhauser
Sen. Karen Mayne
Sen. Ralph Okerlund
Sen. Luz Robles

Rep. Joel K. Briscoe
Rep. Rebecca Chavez-Houck
Rep. Tim M. Cosgrove
Rep. Brad L. Dee
Rep. Gregory H. Hughes
Speaker Rebecca D. Lockhart
Rep. Don L. Ipson
Rep. Jennifer M. Seelig

Staff Present:

Mr. Jonathan Ball, Legislative Fiscal Analyst
Mr. Steven Allred, Deputy Director
Ms. Greta Rodebush, Legislative Secretary
Ms. Karen Mitchell, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order/Approval of Minutes

Co-Chair Brown called the meeting to order at 5:20 p.m. There were no minutes to approve at this time.

2 Budget Action

Adoption of Additional Revenue Sources

MOTION: Sen. Hillyard moved to adopt the one-time funding sources shown on the green-colored sheet entitled, “Additional One-time Revenue Sources, Executive Appropriations Committee” and dated today, March 8, 2013. The motion passed unanimously with Rep. Hughes absent for the vote.

MOTION: Sen. Hillyard moved to approve the motions for appropriations subcommittees’ budgets, fees, and intent language as shown in the yellow packet entitled, “Consolidated Motions for Executive Appropriations Committee” and dated today, March 8, 2013 and moved to fund \$650,500 ongoing from the Special Administrative Expense Account for the following items:

1. \$253,500 DCFS - Foster parent rate increase.
2. \$250,000 DAAS - Replace one-time Meals on Wheels funding with ongoing General Fund.
3. \$147,000 DCFS - Your Community Connection (Women’s violence shelter in Ogden).

Sen. Hillyard explained that at the request of the Co-Chairs of the Social Services Appropriations Subcommittee he added the motion to fund \$650,000 ongoing from the Special Administrative Expense Account for the above 3 items.

A vote was taken on the motion. The motion passed unanimously.

MOTION: Sen. Hillyard moved to include in an appropriations act the items listed on the blue sheet entitled “Approved Funding Items - Executive Appropriations Committee” and dated today March 8, 2013, and moved to make item 129, DSAMH - *Local Authority Medicaid Match*, \$2,000,000 one-time and to make \$2,000,000 of item 127, DSAMH - *Mental Health Early Intervention for Children/Youth*, ongoing.

Sen. Hillyard stated that the Co-Chairs of the Social Services Appropriations Subcommittee had also requested these changes to the DSAMH funding.

A vote was taken on the motion. The motion passed unanimously.

MOTION: Sen. Davis moved to reconsider the committee’s actions on the previous motion. The motion passed unanimously.

MOTION: Sen. Davis moved that we make the following changes to the list:

<i>Business, Economic Development and Labor</i>	<i>Ongoing</i>	<i>One-Time</i>
Marriage Commission		(95,000)
Utah Defense Alliance	(650,000)	500,000
Hexcel		(500,000)
9-11 Memorial		(79,300)
Elevator Inspector	86,600	
Moab Music Festival	25,000	(25,000)

<i>Executive Appropriations Committee</i>	<i>Ongoing</i>	<i>One-Time</i>
Veterans Reintegration Task Force	10,000	

<i>Executive Offices and Criminal Justice</i>	<i>Ongoing</i>	<i>One-Time</i>
GAL Volunteer Advocate	55,000	
Increase in Extradition Funding	75,000	
Utah Sexual Violence Council	435,600	
Data Processing E-filing	160,000	

<i>Higher Education</i>	<i>Ongoing</i>	<i>One-Time</i>
Utah Womens and Education Initiative	150,000	
Scholarship Fund		250,000

Infrastructure and General Government	Ongoing	One-Time
Pioneer Bridge		393,000
Valley Mental Health Bus		150,000

Public Education	Ongoing	One-Time
Peer Assistance and Review Pilot Program	300,000	

Natural Resources	Ongoing	One-Time
Utah's Own		100,000
Integrated Water		150,000

Retirement and Independent Entities	Ongoing	One-Time
2-1-1		150,000

Social Services	Ongoing	One-Time
Your Community Connections	147,700	
USOR - Client Service Delivery Enhancement Voc. Rehab.	100,000	
Volunteers of America Detox		70,000
DAAS - Replace One-time Meals on Wheels Funding		250,000

	Ongoing	One-Time
Net Cost of All Changes	894,900	1,313,700

Revenues	Ongoing	One-Time
Elevator Inspector Fees	86,600	
DWS - Special Administrative Expense Account	2,000,000	
HB 245s1 - Consumer Protection Amendments	91,000	
Robo-signing Settlement		1,390,000
Total Revenue	2,177,600	1,390,000

Rep. Wilson spoke in opposition to the motion. He stated that the committee has already taken \$650,000 out of the Special Administrative Expense Account, money that Utah businesses pay for economic development work in the state. He stated that this is an important program and taking additional money out of it would be a mistake.

In summation, Sen. Davis stated that his motion is a fair, equitable way to address the budget and some of the special needs that we have throughout the state of Utah.

A vote was taken on the motion to amend. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Rep. Briscoe moved to eliminate the following item from the list: Natural Resources - Wolf Reintroduction Prevention - (\$300,000).

Rep. Briscoe understood why some people believe that Wolf Reintroduction Prevention is an important policy issue. However, given the tightness of the state's budget, he felt that this program could be funded by sportsmen and people in the private sector. Rep. Briscoe stated that there are a large number of other items this money could more appropriately fund.

A vote was taken on the motion to amend. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Sen. Jones moved to add the following item to the priority list: Public Education - University of Utah Reading Clinic - \$125,000 ongoing by reducing the ongoing allocation from the Defense Alliance list item by \$125,000.

Sen. Jones explained that the University of Utah Reading Clinic (UURC) was established about 12 years ago and has a proven track record in reading assessment and intervention services.

A vote was taken on the motion to amend. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Rep. Cosgrove moved to approve \$420,500 from the Industrial Assistance Fund Set Aside to Social Services Primary Care Grants in one-time funding.

Rep. Cosgrove discussed and distributed "State Primary Care Grants Program for the Medically Underserved Populations." He explained that the Primary Care Grants Program helps fund community health clinics that target low-income individuals and families.

A vote was taken on the motion to amend. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Sen. Mayne moved to add the following items to the list: Infrastructure and General Government - Taylorsville Pedestrian Tunnel - \$700,000 one-time from the Industrial Assistance Fund Set Aside.

Sen. Mayne stated that Taylorsville is landlocked and is in need of more economic development. The Taylorsville pedestrian tunnel would provide access to the communities on both sides of I - 215. Sen. Mayne noted that people drive through Taylorsville but they don't come to stay. The tunnel will be an economic boon to Taylorsville and those who live on the west side of Salt Lake County.

A vote was taken on the motion to amend. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Sen. Okerlund moved that \$1,500,000 be transferred from the Agriculture Resource Development Fund to the State Utah Rural Rehabilitation Fund.

Sen. Okerlund explained that because the ARDL Fund has a building reserve, the Commissioner of Agriculture recommended that we reallocate the \$1.5 million to the State Utah Rural Rehabilitation Fund, which is running low. The transfer will take better care of the agriculture needs that are out there. Both of these are loan funds that are made to Agriculture.

Sen. Hillyard asked for an explanation of the Agriculture Resource Development Fund and the State Utah Rural Rehabilitation Fund. Sen. Okerlund said that the ARDL Fund handles a lot of water equipment applications from farmers who make application for a well to put in a sprinkler system or some other improvement, usually for water development. The Utah Rural Rehabilitation Fund can be applied for by any agriculture operation that may be struggling as a result of potential or existing price problems. It has been used for dairy loans and other kinds of loans across the state.

Co-Chair Brown called for a vote on the motion to amend. The motion failed in the House.

Sen. Hillyard noted one change to the green sheet, "Additional One-time Revenue Sources, Executive Appropriations Committee." Under One-time Revenue Sources, Item 2 - Department of Public Safety Nonlapsing Balances should read, Item 2 - Department of Corrections Nonlapsing Balances. There were no objections to the change.

MOTION: Sen. Hillyard moved to include in an appropriations act the items listed on the blue sheet entitled, "Approved Funding Items - Executive Appropriations Committee" and dated today, March 8, 2013 and to make item 129, DSAMH - *Local Authority Medicaid Match*, \$2,000,000 one-time and to make \$2,000,000 of item 127, DSAMH - *Mental Health Early Intervention for Children/Youth*, ongoing.

Sen. Davis thanked the Chairs and the committee for allowing those motions by reconsideration.

The motion passed unanimously.

MOTION: Sen. Seelig moved the following intent language: “Should the Legislature consider bonding for any of the buildings listed on the sheets (UVU Building, WSU New Science Building, State Hospital, or Ogden Juvenile Court) we recommend that the cash currently allocated to these buildings in the list be used to fund 2½ teacher training days.”

Rep. Seelig explained that after the downturn in the economy, teacher preparation days went from 11½ days to 2½ days. She noted that Public Education Appropriations Subcommittee had prioritized Item 6, MSP - High Quality Instruction Professional Development - \$20,000,000 one-time. Rep. Seelig stated that her motion adds \$1,250,000 one-time into the existing priority which would fund a total of 5 teacher preparation days.

SUBSTITUTE MOTION: Rep. Dee moved to changed the intent language to read “Should the Legislature [~~consider bonding~~] bond for any of the buildings listed on the sheets (UVU Building, WSU New Science Building, State Hospital, or Ogden Juvenile Court) we recommend that the cash currently allocated to these buildings in the list be used to fund 2 ½ teacher training days.”

Rep. Seelig stated that Rep. Dee’s amendment was a friendly one.

The motion passed with Sen. Hillyard, President Niederhauser, and Sen. Okerlund voting in opposition.

The committee voted on Rep. Seelig’s original motion as amended. The motion failed with Sen. Davis, Sen. Jones, Sen. Mayne, Sen. Robles, Rep. Briscoe, Rep. Chavez-Houck, Rep. Cosgrove, and Rep. Seelig voting in favor of the motion.

MOTION: Sen. Hillyard moved to authorize legislative staff to prepare and number:

- House Bill 3, Current Fiscal Year Supplemental Appropriations
- House Bill 2, New Fiscal Year Supplemental Appropriations
- Senate Bill 7, State Agency and Higher Education Compensation Appropriations
- House Bill 2, Public Education Budget Amendments, and
- Senate Bill 4, Current School Year Supplemental Public Education Budget Adjustments

as Executive Appropriations Committee bills. Staff shall include in these bills the actions of the Executive Appropriations Committee to date. The compensation bill will include funding equivalent of a 1% cost of living adjustment for state and Utah College of Applied Technology employees, step and lane increases for employees of the Utah Schools for the Deaf and the Blind, a 9% rate increase for health insurance benefits offset by a 3.5% one-time reduction to draw down reserves for state and higher education employees, and retirement rate increases for state and higher education employees as recommended by URS. In consultation with the co-chairs of the Executive Appropriations Committee, the Legislative Fiscal Analyst may make any technical changes necessary, including balancing between funds and fiscal years in order to balance the overall budget.

The motion passed unanimously.

3. Other Business

Sen. Hillyard expressed his deep appreciation for staff who have worked tirelessly. It was absolutely amazing to him that staff could have this done by tonight. Staff will be preparing bills this weekend to make sure that they will be on our desks by Monday.

MOTION: Sen. Hillyard moved to adjourn. The motion passed unanimously.

Co-Chair Brown adjourned the meeting at 6:04 p.m.

Sen. Lyle W. Hillyard, Co-Chair

Rep. Melvin R. Brown, Co-Chair